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Proposed programme budget for the biennium 2012-2013*

Part VIII
Common support services

Section 29B
Office of Programme Planning, Budget and Accounts

(Programme 24 of the strategic framework for the period 2012-2013)**

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 6* (A/66/6/Add.1).

** *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 6* (A/65/6/Rev.1).

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Overview

Table 29B.1 **Estimates of expenditure**

Proposal submitted by the Secretary-General	$37,441,900[a]
Revised appropriation for 2010-2011	$38,552,500

[a] At 2010-2011 rates.

Table 29B.2 **Proposed staffing resources**

	Posts	*Level*
Regular budget		
Proposed for the biennium 2012-2013	140	1 ASG, 3 D-2, 8 D-1, 10 P-5, 19 P-4, 17 P-3, 9 P-2/1, 8 GS (PL), 65 GS (OL)
Approved for the biennium 2010-2011	141	1 ASG, 3 D-2, 8 D-1, 10 P-5, 19 P-4, 17 P-3, 9 P-2/1, 8 GS (PL), 66 GS (OL)

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; PL, Principal level; OL, Other level.

29B.1 The Office of Programme Planning, Budget and Accounts is responsible for the implementation of the work programme under this section. The programme is guided by the Administrative and Budgetary (Fifth) Committee of the General Assembly and the Committee for Programme and Coordination.

29B.2 The activities programmed under this section fall within subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and support services, of the strategic framework for the period 2012-2013.

29B.3 The Office of Programme Planning, Budget and Accounts:

(a) Administers and ensures compliance with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates;

(b) Establishes and applies the budgetary and accounting policies and procedures of the United Nations, in accordance with the financial regulations and rules and relevant standards;

(c) Ensures sound financial management of all resources made available to the Organization, as well as their effective and efficient use, directly or through delegation of authority and/or instructions to other offices of the United Nations at Headquarters and overseas;

(d) Accounts for and reports to the appropriate authorities on the use made of United Nations financial resources;

(e) Facilitates intergovernmental deliberations by the General Assembly and decision-making bodies on the issues of planning, programming, budgeting and accounts of the Organization;

(f) Implements and operates the financial components of the Integrated Management Information System (IMIS), which will be replaced by the Enterprise Resource Planning system, in particular by providing specifications for changes and conducting user acceptance

tests, support of the departments and offices with delegated administrative authority and monitoring of the operations of the system.

29B.4 The Office of Programme Planning, Budget and Accounts carries out its activities in cooperation with other departments and offices of the Secretariat and, as appropriate, other entities of the United Nations system. Such collaboration and cooperation include the preparation of reports, participation in meetings, briefings, technical and substantive support and the sharing of information and experience.

29B.5 The Office of Programme Planning, Budget and Accounts continues to improve its operations in accordance with the findings of reviews carried out in prior bienniums of the economy, efficiency and effectiveness of the organizational structure, staffing, management framework and operations.

29B.6 Efforts are ongoing to ensure that activities implemented from all sources of funding are directed at improving internal controls; enhancing risk management; streamlining processes (in particular in the area of receipt, disbursement and processing of assessed contributions); strengthening information technology services; improving financial management, reporting and accounts; and improving services to meet clients' needs. During the biennium 2012-2013, the Office of Programme Planning, Budget and Accounts will continue to focus on further refining results-based budgeting and continue to contribute to the implementation of results-based management, further improve the budget presentation, carry out periodic self-evaluations and strengthen cooperation with other departmental partners on monitoring and evaluation. The Office will collaborate closely with the Umoja Team in configuring and implementing the Enterprise Resource Planning system and continue to carry out activities in support of the implementation of the International Public Sector Accounting Standards (IPSAS).

29B.7 The Office of Programme Planning, Budget and Accounts is the Co-chair of the Task Force established to make proposals for the acceleration of the implementation of results-based management and the development of a conceptual framework for results-based management, as requested by the General Assembly in its resolution 64/259, which will be reported at the main part of the sixty-sixth session of the General Assembly. The Office is also providing substantive input to the ongoing review of delegation of authority with regard to the financial management area, initiated the development of an organization-wide budget and finance training, which the Office of Human Resource Management is responsible for implementing. The Office also contributes to the Umoja design by reviewing all processes related to the financial management area.

29B.8 As Chair of the IPSAS Steering Committee, the Office of Programme Planning, Budget and Accounts provides guidance and facilitates decision-making on key issues to ensure support for IPSAS from the Organization. As part of the organization-wide IPSAS efforts, the following initiatives are being pursued: development of a detailed implementation plan, including contingency planning for impact of Umoja roll-out strategies, an IPSAS Policy Guidance Manual, which will articulate a framework of IPSAS policies that will guide the application of the new accounting standards to support IPSAS-compliant accounting and reporting; and Updated Training Plan as well as Communication Plan and the commencement of the delivery of instructor-led training courses and roll-out of collaboration tools.

29B.9 Having successfully implemented an online contributions portal for Member States, the Office of Programme Planning, Budget and Accounts also continues to undertake ongoing efforts to further improve the efficiency of its services in other areas by focusing on the implementation of e-remittance for vendors and third parties resulting in non-printing of remittance notices; planned implementation of a pre-paid card programme as a new payment mode as well as of an automated travel payment card and system to increase processing efficiency; implementation of shared SWIFT infrastructure with UNICEF and possibly other United Nations agencies, in line with

inter-agency cooperation and cost sharing; implementation of bank account reporting through SWIFT providing Headquarters with greater visibility on bank risks of bank accounts; and consolidation of investment management areas from other parts of the Organization to Headquarters.

29B.10 In a system-wide coherence context, the Office of Programme Planning, Budget and Accounts is contributing to the Finance and Budget Network and is thus instrumental in providing valuable input in respect of finance and budget-related issues of common concern to United Nations system organizations as a whole. The Finance and Budget Network covers areas such as international accounting standards, treasury practices, auditing and oversight mechanisms, financial reporting, and cost recovery and is also responsible for providing guidance in respect of jointly financed activities of the United Nations system, including investment management. The efforts made in that context lead into the harmonization of business practices across the United Nations system, including general management issues, to ensure management coherence from the global to the country level.

29B.11 While the totality of resources available are presented, the proposals herein do not address those elements directly related to support of peacekeeping operations, which would be funded from the peacekeeping support account; rather, they address only those elements directly related to activities financed under the regular budget. The responsibilities of the Office of Programme Planning, Budget and Accounts are detailed in the most recent Secretary-General's bulletin for the Office.

29B.12 The specific objectives, expected accomplishments and indicators of achievement of the main organizational units of the Office of Programme Planning, Budget and Accounts for the biennium 2012-2013 are detailed, together with resources, under executive direction and management and the programme of work.

29B.13 The overall level of resources for the Office of Programme Planning, Budget and Accounts under the regular budget amounts to $37,441,900 before recosting, reflecting a 2.9 per cent decrease against the revised appropriation for the biennium 2010-2011. The net decrease, as shown in table 29B.4 below can be summarized as follows:

(a) The net decrease of $1,164,200 under executive direction and management represents one-time costs largely related to general temporary assistance, consultants, travel and training requirements in connection with the implementation of the IPSAS ($1,901,600), partially offset by increased non-post requirements of $737,400, broadly sought at a level which realigns and synchronizes the implementation of the IPSAS and the Enterprise Resource Planning project;

(b) The net increase of $53,600 under programme of work represents:

(i) A net increase of $171,000 under programme planning and budgeting relates mainly to general temporary assistance requirements for maternity/sick leave replacements and during periods of peak workload as well as the increased requirements for general operating expenses, notably for rental of office automation equipment and right-to-use charges for telephone and Blackberry services;

(ii) A net increase of $218,400 under accounting, contributions and financial reporting, relates to the inward redeployment of one General Service (Principal level) from the Financial Information Operations Service to the Accounts Division as well as the mobile office requirements to carry out critical activities to ensure business continuity;

(iii) A net decrease of $9,000 under Treasury relates mainly to reduced requirements under general operating expenses;

(iv) A net decrease of $326,800 under financial information operations resulting from the outward redeployment of one General Service (Principal level) post to the Accounts Division and abolition of one General Service (Other level) post, partially offset by increased non-post requirements broadly related to the acquisition of proprietary software, namely Bloomberg Asset and Investment Management System, a risk management tool for investments, compliance and trades, and replacement of office automation equipment including servers.

29B.14 It is estimated that during the biennium 2012-2013, other assessed and extrabudgetary resources of $64,772,600 would be available to the office to carry out its programme of work; of which $42,447,200 relates to the support account for peacekeeping operations, $19,594,500 from programme support income received as reimbursement for services provided by the central administration for extrabudgetary activities, funds and programmes, and $2,730,900 from other extrabudgetary resources. The projected level represents an increase of approximately $2,090,400 over the 2010-2011 biennium, arising from increased requirements mainly under the support account for peacekeeping operations.

29B.15 Pursuant to General Assembly resolution 58/269, resources were identified within the available capacity in the Professional and General Service categories for the conduct of monitoring and evaluation in the Office of Programme Planning, Budget and Accounts equivalent to $2,940,400 ($2,234,700 funded from the regular budget comprising 123 work-months at the Professional level and 23 work-months at the General Service level; $246,400 funded from the support account for peacekeeping operations; and $459,300 funded from the extrabudgetary resources comprising 22 work-months at the Professional level and 4 work-months at the General Service level).

29B.16 The percentage distribution of the total resources of the Office of Programme Planning, Budget and Accounts in 2012-2013 is shown in table 29B.3, and the distribution of resources is summarized in tables 29B.4 and 29B.5.

Table 29B.3 **Distribution of resources by component**

(Percentage)

Component	*Regular budget*	*Other assessed*	*Extrabudgetary*
A. Executive direction and management	11.3	21.4	8.0
B. Programme of work			
1. Programme planning and budgeting	26.3	—	13.1
2. Financial services relating to peacekeeping matters	—	27.7	—
3. Financial accounting, contributions and reporting	49.4	31.8	50.5
4. Treasury services	4.4	8.1	3.3
5. Financial information service	8.6	11.0	25.1
Subtotal B	**88.7**	**78.6**	**92.0**
Total	**100.0**	**100.0**	**100.0**

Table 29B.4 Resource requirements by component

(Thousands of United States dollars)

(1) *Regular budget*

Component	2008-2009 expenditure	2010-2011 appropriation	Resource growth		Total before recosting	Recosting	2012-2013 estimate
			Amount	Percentage			
A. Executive direction and management	3 473.3	5 383.4	(1 164.2)	(21.6)	4 219.2	35.5	4 254.7
B. Programme of work							
1. Programme planning and budgeting	8 946.3	9 667.8	171.0	1.8	9 838.8	29.4	9 868.2
2. Financial services relating to peacekeeping operations[a]	—	—	—	—	—	—	—
3. Accounting, contributions and financial reporting	16 890.3	18 290.2	218.4	1.2	18 508.6	309.2	18 817.8
4. Treasury services	1 599.8	1 678.2	(9.0)	(0.5)	1 669.2	9.1	1 678.3
5. Financial information service	3 471.1	3 532.9	(326.8)	(9.3)	3 206.1	24.5	3 230.6
Subtotal (1)	**34 380.8**	**38 552.5**	**(1 110.6)**	**(2.9)**	**37 441.9**	**407.7**	**37 849.6**

(2) *Other assessed*

	2008-2009 expenditure	2010-2011 estimate	2012-2013 estimate
A. Executive direction and management	392.3	8 791.2	9 079.8
B. Programme of work			
1. Programme planning and budgeting	—	—	—
2. Financial services relating to peacekeeping operations[a]	11 109.6	10 919.8	11 749.2
3. Accounting, contributions and financial reporting	10 949.3	14 033.8	13 509.8
4. Treasury services	3 039.2	3 463.0	3 437.8
5. Financial information service	1 059.9	3 741.8	4 670.6
Subtotal (2)	**26 550.3**	**40 949.6**	**42 447.2**

(3) *Extrabudgetary*

	2008-2009 expenditure	2010-2011 estimate	2012-2013 estimate
A. Executive direction and management	1 200.4	1 790.9	1 797.1
B. Programme of Work			
1. Programme planning and budgeting	2 454.5	2 917.6	2 920.3
2. Financial services relating to peacekeeping operations[a]	—	—	—
3. Accounting, contributions and financial reporting	11 697.2	11 235.2	11 269.7
4. Treasury services	787.5	739.2	742.6
5. Financial information service	3 603.6	5 049.7	5 595.7
Subtotal (3)	**19 743.2**	**21 732.6**	**22 325.4**
Total (1), (2) and (3)	**80 674.3**	**101 234.7**	**102 622.2**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

Table 29B.5 Post requirements

	Established regular budget posts		Temporary posts: Regular budget		Temporary posts: Other assessed[a]		Temporary posts: Extrabudgetary		Total	
Category	2010-2011	2012-2013	2010-2011	2012-2013	2010-2011	2012-2013	2010-2011	2012-2013	2010-2011	2012-2013
Professional category and above										
ASG	1	1	—	—	—	—	—	—	1	1
D-2	3	3	—	—	1	1	—	—	4	4
D-1	8	8	—	—	1	1	1	1	10	10
P-5	10	10	—	—	6	6	6	6	22	22
P-4/3	36	36	—	—	42	42	24	25	102	103
P-2/1	9	9	—	—	1	1	2	2	12	12
Subtotal	**67**	**67**	**—**	**—**	**51**	**51**	**33**	**34**	**151**	**152**
General Service category										
Principal level	8	8	—	—	4	4	8	8	20	20
Other level	66	65	—	—	40	40	33	33	139	138
Subtotal	**74**	**73**	**—**	**—**	**44**	**44**	**41**	**41**	**159**	**158**
Total	**141**	**140**	**—**	**—**	**95**	**95**	**74**	**75[b]**	**310**	**310**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

[b] Some of the extrabudgetary posts may not be available for the full biennium owing to changing requirements of the funds and programmes for services rendered by the United Nations.

A. Executive direction and management

Resource requirements (before recosting): $4,219,200

29B.17 The Assistant Secretary-General, Controller, is responsible for all the activities of the Office of Programme Planning, Budget and Accounts, and supervises five organizational entities, namely, the Programme Planning and Budget Division, the Peacekeeping Financing Division, the Accounts Division, the Treasury and the Financial Information Operations Service. The Assistant Secretary-General, Controller, administers, as delegated, the Financial Regulations and Rules of the United Nations and ensures compliance therewith; advises the Secretary-General and the Under-Secretary-General for Management on policy matters with respect to the budget, plans, work programmes and finances of the United Nations; represents the Secretary-General in the committees of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions and the Committee for Programme and Coordination in the presentation of the budget outline, the biennial programme budgets, the budgets of the International Tribunals, the strategic framework, the United Nations capital master plan budget and the peacekeeping budgets and budget performance reports; represents the Secretary-General in other bodies and working groups of the United Nations system and in other international forums on budgetary and financial matters; establishes budgetary and accounting policies, procedures and guidelines for the Organization including the issuance of instructions for the preparation of budget and performance reports and establishment of submission deadlines; exercises financial control of the resources of the Organization; and designates and approves staff members whose functions involve significant financial duties, where this authority is to be exercised by the Controller pursuant to existing rules.

29B.18 The Office of the Assistant Secretary-General, Controller, provides assistance in the overall direction, supervision and management of the Office of Programme Planning, Budget and Accounts; discharges responsibilities as delegated to the Assistant Secretary-General, Controller, under the Financial Regulations and Rules of the United Nations; formulates policy papers, reports and guidelines and provides advice on planning, programming and budgetary and accounting matters; evaluates, reviews and formulates the terms and conditions of the delegation of the Controller's authority and responsibility under the Financial Regulations and Rules of the United Nations and monitors the application thereof; reviews all financial agreements outlining the terms and conditions of voluntary contributions, including contributions in kind and non-reimbursable loans in compliance with the Financial Regulations and Rules of the United Nations; and coordinates interdepartmental activities relating to planning and programming as well as budgetary and accounting matters.

29B.19 Further to resolution 60/283, by which the General Assembly approved the adoption by the United Nations of the International Public Sector Accounting Standards (IPSAS), the International Public Sector Accounting Standards Implementation Unit was established in the Office of the Assistant Secretary-General, Controller, during the biennium 2006-2007. The Unit is responsible for transitioning the Organization to the requirements under the new accounting Standards. For the biennium 2012-2013, the Unit will, inter alia, lead the work to determine the IPSAS-compliant opening statement of position, including balances for property, plant and equipment and inventories, and to deploy IPSAS-related instructor-led training. Further, the Unit will be involved in the operationalization of the approved IPSAS-related policies by coordinating the process to develop detailed procedures and associated changes in workflows. The Unit will also support Umoja in its deployment of the new Enterprise Resource Planning system by specifying the IPSAS requirements and by collaborating in the testing and change management activities.

29B.20 The Deputy Controller at the D-2 level oversees the overall management of the Office of Programme Planning, Budget and Accounts; assists the Assistant Secretary-General, Controller, in

his overall direction, supervision and management of the Office of Programme Planning, Budget and Accounts and provides guidance to the financial community of the Organization; responds to the need to improve timeliness and ensures comprehensive review and approval of administrative actions, including providing the management resources necessary to lead operational initiatives to enhance efficiency and effectiveness; and responds promptly to and follows up on implementation of oversight recommendations by the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors. This enables appropriate burden-sharing between the Controller and the Deputy Controller in addressing the complex and critical financial management issues in a proactive manner.

Table 29B.6 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To facilitate full implementation of legislative mandates and compliance with United Nations policies and procedures with respect to the management of financial resources of the Organization and management of the programme of work and staff of the Office

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Sound financial management and control in the Organization	(a) Absence of significant adverse audit observations relating to financial management and control *Performance measures* 2008-2009: no significant adverse audit observations Estimate 2010-2011: no significant adverse audit observations Target 2012-2013: no significant adverse audit observations
(b) The programme of work of the Office of Programme Planning, Budget and Accounts is effectively managed and supported by staff and financial resources	(b) Reduction in the number of days to clear donor, executing agencies, host country and framework agreements *Performance measures* 2008-2009: 8 days Estimate 2010-2011: 8 days Target 2012-2013: 7 days
(c) Improved financial policies	(c) Assistance provided to clients on application of the Financial Regulations and Rules, policies and procedures

	Performance measures
	(Percentage of client representatives expressing satisfaction with the quality of assistance received)
	2008-2009: 84 per cent
	Estimate 2010-2011: 85 per cent
	Target 2012-2013: 90 per cent

29B.21 The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that all stakeholders fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates.

Outputs

29B.22 During the biennium 2012-2013, the following final outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget, other assessed and extrabudgetary): approximately 25 meetings of the Advisory Committee on Administrative and Budgetary Questions; approximately 12 meetings of the Committee for Programme and Coordination; and approximately 35 formal and informal meetings of the Fifth Committee of the General Assembly;

(b) Other substantive activities (regular budget, other assessed and extrabudgetary): representation at and convening of meetings with financial officials of the Secretariat, offices away from Headquarters and United Nations funds and programmes on issues of common concern (approximately 8 meetings);

(c) Advisory services (regular budget, other assessed and extrabudgetary):

(i) Advice on voluntary contribution financial agreements entered into between the United Nations and, inter alia, Governments, non-governmental organizations and private contributors (1,000);

(ii) Assistance to clients on the application of the Financial Regulations and Rules, procedures and policies (160);

(d) Administrative support and finance services (regular budget, other assessed and extrabudgetary): review and authorization of delegations of authority as they relate to financial matters, including review and approval of requests for clearance of staff members designated to perform significant functions in the management of financial resources in accordance with the Secretary-General's bulletin ST/SGB/2005/7 (480); training workshops on financial issues for chief administrative officers and chief finance officers (4); training workshops on IPSAS (18);

(e) Revision of the Financial Regulations and Rules of the United Nations to incorporate modifications as required by the adoption of IPSAS.

Table 29B.7 **Resource requirements**

Category	Resources (thousands of United States dollars) 2010-2011	Resources (thousands of United States dollars) 2012-2013 (before recosting)	Posts 2010-2011	Posts 2012-2013
Regular budget				
Post	3 278.5	3 278.5	10	10
Non-post	2 104.9	940.7	—	—
Subtotal	**5 383.4**	**4 219.2**	**10**	**10**
Other assessed	8 791.2	9 079.8	2	2
Extrabudgetary	1 790.9	1 797.1	4	4
Total	**15 965.5**	**15 096.1**	**16**	**16**

29B.23 Resources amounting to $4,219,200 would provide for the continuation of 10 posts (1 ASG, 1 D-2, 2 P-5, 3 P-4/3, 3 General Service (Other level)) ($3,278,500) and non-post requirements ($940,700) relating to other staff costs, travel of staff, contractual services and other operating requirements in the Office of the Assistant Secretary-General, Controller.

29B.24 The decrease of $1,164,200 under non-post resources relates broadly to the one-time cost under consultancy, general temporary assistance, travel, training requirements for the implementation of IPSAS ($1,901,600). The reduction is offset in part by increased non-recurrent non-post requirements relating broadly to general temporary assistance to support the process of data preparation of non-expendable property and expendable items that will require capitalization under IPSAS as well as training requirements. It will be recalled that resources have progressively been sought in the biennium budget consistent with the phased implementation of IPSAS in line with the Umoja project timeline. The level of requirements for IPSAS reflected in the present proposal for 2012-2013 highlights the continued efforts to realign and synchronize the implementation of IPSAS and the Enterprise Resource Planning project.

29B.25 This component of the subprogramme is supported by projected other assessed resources and extrabudgetary resources amounting to $9,079,800 and $1,797,100, respectively. The resources under other assessed resources include two posts (1 Professional and above and 1 General Service) funded from the support account for peacekeeping operations. The amount also includes non-post requirements largely related to implementation of IPSAS. The proposed budget for the peacekeeping support account (A/65/761) is to be considered by the General Assembly at the second part of its resumed sixty-fifth session, in May 2011.

29B.26 The resources under extrabudgetary resources would provide for salaries and common staff costs of four posts in the Professional category and above, whose incumbents provide administrative support and financial services relating to coordination of audit and oversight recommendations, monitoring and evaluation, voluntary contribution, financial agreements entered into between the United Nations and Governments, non-governmental organizations and private contributors, assistance to clients on application of the Financial Regulations and Rules, procedures and policies, and review and authorization of delegations of authority as they relate to financial matters.

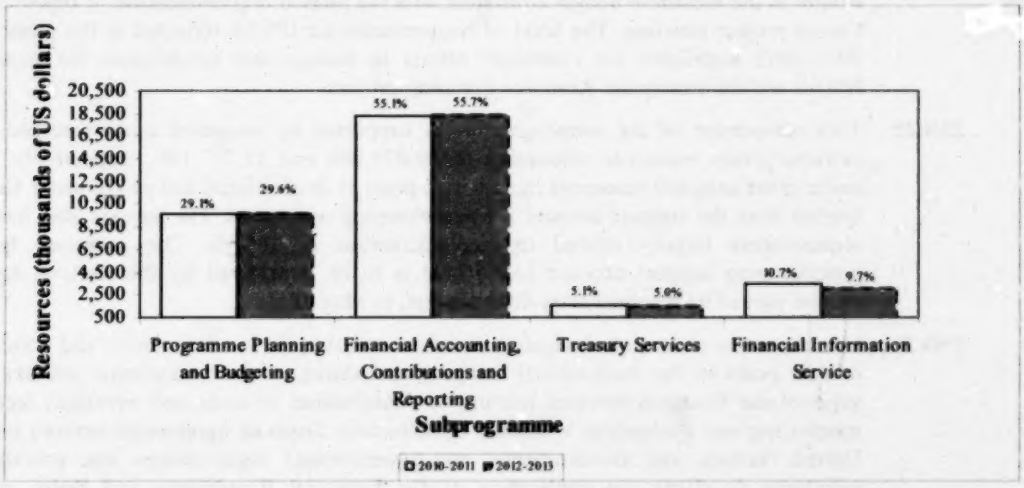
B. Programme of work[1]

Table 29B.8 Resource requirements by component

Category	Resources (thousands of United States dollars) 2010-2011	2012-2013 (before recosting)	Posts 2010-2011	2012-2013
Regular budget				
1. Programme planning and budgeting	9 667.8	9 838.8	33	33
2. Financial services relating to peacekeeping operations[a]	—	—	—	—
3. Accounting, contributions and financial reporting	18 290.2	18 508.6	82	83
4. Treasury services	1 678.2	1 669.2	5	5
5. Financial information service	3 532.9	3 206.1	11	9
Subtotal	**33 169.1**	**33 222.7**	**131**	**130**
Other assessed[a]	32 158.4	33 367.4	93	93
Extrabudgetary	19 941.7	20 528.3	70	71
Total	**85 269.2**	**87 118.4**	**294**	**294**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

Table 29B.9 Regular budget resource requirements by component



[1] Subprogramme 2 of programme 24 of the strategic framework for the period 2012-2013.

Component 1
Programme planning and budgeting

Resource requirements (before recosting): $9,838,800

29B.27 Responsibility for programme planning and budgeting rests with the Programme Planning and Budget Division of the Office of Programme Planning, Budget and Accounts. This component will be implemented in accordance with the strategy detailed under component 1, Programme planning and budgeting, of subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and support services of the strategic framework for the period 2012-2013 (A/65/6/Rev.1).

Table 29B.10 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To secure the resources required for the financing of the mandated programmes and activities of the Secretariat and to improve management of the utilization of those resources

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Informed decision-making by Member States on issues relating to the programme budget and budgets of the criminal tribunals	(a) (i) Increased percentage of reports and supplementary information submitted by the documentation deadlines *Performance measures* **Budgetary documents** 2008-2009: 66 per cent Estimate 2010-2011: 75 per cent Target 2012-2013: 100 per cent **Supplementary information** 2008-2009: 100 per cent Estimate 2010-2011: 100 per cent Target 2012-2013: 100 per cent (ii) Increased number of Member States expressing satisfaction with the clarity, quality and completeness of budgetary documents and of the supplementary information provided *Performance measures* **Budgetary documents** 2008-2009: 18 of 19 respondents, or 95.0 per cent

	Estimate 2010-2011: 100 per cent of a greater number of respondents Target 2012-2013: 100 per cent of a greater number of respondents **Written supplementary information** 2008-2009: 19 of 19 respondents, or 100 per cent Estimate 2010-2011: 100 per cent of a greater number of respondents Target 2012-2013: 100 per cent of a greater number of respondents **Supplementary information provided during deliberations** 2008-2009: 19 of 19 respondents, or 100 per cent Estimate 2010-2011: 100 per cent of a greater number of respondents Target 2012-2013: 100 per cent of a greater number of respondents
(b) Overall resources for the programme budget and budgets of the criminal tribunals are better managed	(b) Reduced unliquidated obligations and cancellation of prior-period obligations as a percentage of final appropriation *Performance measures* 2008-2009: 3.9 per cent Estimate 2010-2011: 3.0 per cent Target 2012-2013: 2.0 per cent
(c) Extrabudgetary resources are better managed	(c) (i) Reduction in the turnaround time for the issuance of extrabudgetary allotments *Performance measures* 2008-2009: 3 days (average) Estimate 2010-2011: 3 days (average) Target 2012-2013: 3 days (average) (ii) Reduced percentage variance between extrabudgetary allotments and expenditures

	Performance measures (Balance as a percentage of allotments issued) 2008-2009: 27 per cent Estimate 2010-2011: 15 per cent Target 2012-2013: 5 per cent
(d) Clients are satisfied with the guidance provided	(d) Reduced percentage of clients who give an overall rating as less than satisfactory *Performance measures* 2008-2009: 23 per cent Estimate 2010-2011: 10 per cent Target 2012-2013: 0 per cent

External factors

29B.28 This component is expected to achieve its objectives and expected accomplishments on the assumption that all client departments (a) fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates, (b) provide accurate and fully justified requests and information that responds to mandates or intergovernmental requests on a timely basis, and (c) seek advice and guidance on developing issues prior to it escalating to a critical level.

Outputs

29B.29 During the biennium 2012-2013, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget and extrabudgetary):

(i) Substantive servicing of meetings: approximately 45 formal meetings and 200 informal consultations of the Fifth Committee; approximately 15 formal meetings and 20 informal consultations of the Committee for Programme and Coordination; approximately 30 meetings of the Economic and Social Council; approximately 130 meetings of the Advisory Committee on Administrative and Budgetary Questions; and informal consultations of other Main Committees of the General Assembly on request;

(ii) Parliamentary documentation: approximately 340 reports, including the proposed programme budget outline for the biennium 2014-2015 (1); the proposed programme budget for the biennium 2014-2015 (48 documents in fascicle form, 40 documents for supplementary financial information for the Advisory Committee on Administrative and Budgetary Questions and 1 document in a short form); budget performance reports for the biennium 2012-2013 (2); the proposed strategic framework for the period 2014-2015 (30 documents in fascicle form and 1 consolidated document); budgets and budget performance reports of the International Tribunals (6); statements of programme budget implications, revised estimates and oral statements (150); estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (14 reports and 8 supplementary financial

information reports for the Advisory Committee on Administrative and Budgetary Questions); ad hoc reports in connection with the programme budget (40); and conference room papers and additional information for legislative and advisory bodies, as required;

(b) Other services provided (regular budget):

(i) Assistance to the Fifth Committee and the Committee for Programme and Coordination in the preparation of their reports to the General Assembly (approximately 60 reports);

(ii) Briefings for Member States, including new representatives in the Fifth Committee and the Committee on Programme and Coordination on programme planning and budgetary matters (approximately 10);

(iii) Review of draft resolutions before legislative bodies and their subsidiary bodies, including the Human Rights Council for potential financial implications in accordance with rule 153 of the rules of procedure of the General Assembly and under rule 31 of the rules of procedure of the Economic and Social Council and its functional commissions, as the case may be (approximately 800);

(c) Administrative support and finance services (regular budget and extrabudgetary):

(i) Authorizations, guidelines, advice and instructions: allotment advices and staffing table authorizations (approximately 2,400); requests to incur unforeseen and extraordinary expenses (approximately 30); review and analysis of annual cost plans and other proposals relating to extrabudgetary financing (approximately 1,700); monitoring of expenditures; and responses to queries of Member States on trust funds, as and when requested;

(ii) Monitoring of actual staff costs and inflation trends, creation of standard salary costs and establishment of budget costing parameters; and maintenance of vacancy statistics (approximately 440) and certifying officers' panels (approximately 650);

(iii) Determination of average monthly troop strengths, establishment of amounts reimbursable and initiation of payments with regard to troop cost reimbursements to Governments;

(iv) Briefings for client departments and offices, as well as members of the public, on the programme planning and budget process, including results-based budgeting (approximately 10);

(v) Provision of advice and guidance on the application of the Financial Regulations and Rules of the United Nations and relevant General Assembly resolutions on matters relating to the programme budget and extrabudgetary resources;

(vi) Provision of advice and guidance on budgetary and financial issues to the tribunals for Rwanda and the former Yugoslavia and, as necessary, other non-assessed funded special courts or tribunals.

Table 29B.11 **Resource requirements: programme planning and budgeting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2010-2011*	*2012-2013 (before recosting)*	*2010-2011*	*2012-2013*
Regular budget				
Post	9 431.8	9 431.8	33	33
Non-post	236.0	407.0	—	—
Subtotal	**9 667.8**	**9 838.8**	**33**	**33**
Extrabudgetary	2 917.6	2 920.3	8	8
Total	**12 585.4**	**12 759.1**	**41**	**41**

29B.30 Resources amounting to $9,838,800 would provide for the continuation of 33 posts (1 D-2, 3 D-1, 2 P-5, 15 P-4/3, 2 P-2/1, 2 General Service (Principal level) and 8 General Service (Other level)) ($9,431,800), and non-post requirements ($407,000), including other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment. The increase under non-post resources ($171,000) relates broadly to the need for general temporary assistance during peak work periods and extended absences, requirements for general operating expenses and replacement for office automation equipment, having retained those beyond the normal replacement cycle where possible.

29B.31 This component of the subprogramme is supported by extrabudgetary resources amounting to $2,920,300, including eight posts (4 Professional and 4 General Service) that will complement regular budget resources to service intergovernmental bodies and provide substantive and administrative support in financial and budgetary issues, including substantive servicing of meetings and the preparation of parliamentary documentation.

Component 2
Financial services relating to peacekeeping operations

Resource requirements: financed exclusively by the support account for peacekeeping operations

29B.32 This component is the responsibility of the Peacekeeping Financing Division of the Office of Programme Planning, Budget and Accounts. It will be implemented in accordance with the strategy detailed under component 2, Financial services relating to peacekeeping operations, of subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and support services, of the strategic framework for the period 2012-2013 (A/65/6/Rev.1).

Table 29B.12 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To secure the resources for the financing of peacekeeping operations and to ensure the efficient and effective administration and management of peacekeeping operations

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved reporting to the Advisory Committee on Administrative and Budgetary Questions, the General Assembly, and police- and troop-contributing countries to enable fully informed decisions on issues relating to peacekeeping	(a) Increased percentage of budget and performance reports submitted by the documentation deadlines *Performance measure* 2008-2009: 73 per cent Estimate 2010-2011: 95 per cent Target 2012-2013: 97 per cent
(b) Increased efficiency and effectiveness of peacekeeping operations	(b) (i) Liabilities for troops do not exceed three months *Performance measures* 2008-2009: 6 months Estimate 2010-2011: 3 months Target 2012-2013: 3 months (ii) Increased percentage of respondents to client surveys rate the guidance provided by the Peacekeeping Finance Division on budgetary policies and procedures as at least "good" or "very good" *Performance measures* 2008-2009: 72 per cent Estimate 2010-2011: 80 per cent Target 2012-2013: 90 per cent

External factors

29B.33 This component is expected to achieve its objectives and expected accomplishments on the assumption that (a) the timing and nature of mandates approved by the Security Council that frame the establishment, expansion and scope and scale of activities of individual peacekeeping operations, and consequently their related resource requirements, follow normal patterns, (b) assessments will be paid promptly and (c) all stakeholders fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates.

Outputs

29B.34 During the biennium 2012-2013, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (other assessed):

(i) Substantive servicing of meetings: approximately 30 formal meetings and 120 informal consultations of the Fifth Committee and approximately 100 meetings of the Advisory Committee on Administrative and Budgetary Questions;

(ii) Parliamentary documentation: submission of approximately 70 reports on budget estimates and budget performance reports to the General Assembly on the financing of active missions, the status of the financial position of closed missions and final budget performance reports on missions in liquidation, as well as reports on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations, and submission of approximately 30 supplementary packages to the Advisory Committee on Administrative and Budgetary Questions on specific peacekeeping financing issues;

(b) Administrative support and finance services (other assessed):

(i) Budgetary control: issuance and revision of allotments and staffing table authorizations (600);

(ii) Monitoring of financial status: weekly monitoring of cash position for special accounts of peacekeeping operations and utilization of the peacekeeping reserve fund (104);

(iii) Liaison with Governments: discussions with representatives of Member States, including troop-contributing countries, on financial matters in respect of peacekeeping operations and liabilities of missions;

(iv) Training for approximately 240 mission and Headquarters personnel on the upgraded funds monitoring tool;

(v) Policy guidance to missions on the formulation of budget proposals and performance reports, including on financial rules and regulations, policies and procedures, results-based budgeting, and recommendations of legislative bodies;

(vi) Visits to 8 peacekeeping missions to provide strategic advice and on-site assistance on budget and financial issues;

(vii) Organization and conduct of 12 video teleconferences with peacekeeping missions and the United Nations Logistics Base, Brindisi, Italy and 20 in-person meetings with Headquarters Departments on pending budget assumptions and justification issues during the performance and budget report finalization phase;

(viii) 40 financial reports to donors on peacekeeping trust funds.

Table 29B.13 **Resource requirements: financial services relating to peacekeeping matters**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2010-2011*	*2012-2013 (before recosting)*	*2010-2011*	*2012-2013*
Other assessed	10 919.8	11 749.2	33	33

29B.35 The resource requirements of the Division are financed exclusively from the support account for peacekeeping operations. The requirements include the continuation of 33 posts, including 24 in the Professional category and above and 9 in the General Service category. The proposals on the

peacekeeping support account are to be considered by the General Assembly at its resumed sixty-fifth session in May 2011 (A/65/761).

Component 3
Accounting, contributions and financial reporting

Resource requirements (before recosting): $18,508,600

29B.36 Substantive responsibility for this component is vested in the Accounts Division of the Office of Programme Planning, Budget and Accounts. This component will be implemented in accordance with the strategy detailed under component 3, Accounting, contributions and financial reporting of subprogramme 2, Programme planning, budget and accounts of programme 24, Management and support services of the strategic framework for the period 2012-2013 (A/65/6/Rev.1).

29B.37 Several functions of the Accounts Division, such as payroll, health and life insurance, education grant, travel claims, vendor claims, accounting services, preparation of financial statements, etc. are likely to be impacted by the implementation of Umoja, when it is rolled out fully. Streamlining of business processes, changes in the service delivery model, introduction of self-service, and modifications in the internal control framework, may all lead to changes in the composition of the staffing resources supporting these functions. Concurrently, the transition to IPSAS will also impact the work of the Division, especially in the Contributions and the Financial Reporting Services. IPSAS will place much greater demands on the resources in these areas to support the new and expanded reporting requirements, while the implementation of Umoja may redefine or at least partially modify the functions performed through the use of such resources. While it is safe to assume that most functions in the Division will be impacted by these twin reform initiatives, the nature and extent of these changes will become increasingly apparent during the biennium 2012-2013 as the implementation of both Umoja and IPSAS takes shape. A rationalization of the staff resources in the Division, including the funding sources, is therefore likely to be opportune when considering the proposals for the biennium 2014-2015.

Table 29B.14 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To further improve the quality of financial statements and to secure financing for the expenses of the Organization pursuant to Article 17 of the Charter of the United Nations

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved integrity of financial data	(a) (i) A positive audit opinion of the Board of Auditors on financial statements *Performance measures* (A positive, modified or qualified audit opinion is indicated by the numeric values of 1, 2 and 3, respectively) 2008-2009: 1 Estimate 2010-2011: 1 Target 2012-2013: 1

	(ii) No more than two significant adverse audit findings related to other financial matters *Performance measures* 2008-2009: 2 recommendations Estimate 2010-2011: 2 recommendations Target 2012-2013: 2 recommendations
(b) Timely and accurate financial transactions	(b) (i) Increased percentage of payments processed and transactions recorded within 30 days of receipt of all appropriate documents *Performance measures* (Percentage of staff separations, education grant payments, vendor claims and travel claims that are processed within 30 days of receipt of all appropriate documents (each component is weighted equally)) 2008-2009: 87 per cent Estimate 2010-2011: 89 per cent Target 2012-2013: 90 per cent (ii) Reconciliation of bank accounts within 30 days of month's end *Performance measures* (Percentage of bank accounts) 2008-2009: 96 per cent Estimate 2010-2011: 98 per cent Target 2012-2013: 100 per cent
(c) Insurance policies that have increased benefits for the Organization	(c) Number of improvements or beneficial adjustments made to terms of insurance policies *Performance measures* 2008-2009: 2 improvements Estimate 2010-2011: 2 improvements Target 2012-2013: 2 improvements

(d) Timely submission of documentation required for informed decision-making by Member States on issues related to the scale of assessments, the basis for financing peacekeeping activities and the status of contributions	(d) (i) No less than 90 per cent of monthly reports on the status of contributions issued by the end of the following month *Performance measures* 2008-2009: 75 per cent Estimate 2010-2011: 90 per cent Target 2012-2013: 95 per cent (ii) Increased percentage of pre-session documentation relating to the scale of assessments and the basis of financing of peacekeeping operations submitted by the documentation deadlines *Performance measures* 2008-2009: 85 per cent Estimate 2010-2011: 95 per cent Target 2012-2013: 100 per cent

External factors

29B.38 This component is expected to achieve its objectives and expected accomplishments on the assumption that the relevant information is complete and is submitted for processing without delay and that there are no major outages or malfunctions in the computerized systems, including IMIS.

Outputs

29B.39 During the biennium 2012-2013, the following final outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies (regular budget, other assessed and extrabudgetary):

(i) Substantive servicing of meetings: approximately 10 formal meetings and 25 informal consultations of the Fifth Committee and approximately 50 formal meetings and 8 informal consultations of the Committee on Contributions;

(ii) Parliamentary documentation: annual and biennial financial reports of the Secretary-General to the General Assembly (3); approximately 3 reports to the Fifth Committee and 30 reports to the Committee on Contributions; approximately 110 conference room papers for the Fifth Committee and the Committee on Contributions; ad hoc reports on scale of assessments, financing of peacekeeping operations, application of Article 19 of the Charter, measures to encourage payment of assessed contributions and related issues, on request; and reports on the financial situation of the United Nations (4);

(b) Other substantive activities (regular budget, other assessed and extrabudgetary):

(i) Provision of information for the preparation of annual pledging conferences for development activities and assistance in recording and tabulating the results, including necessary follow-up;

(ii) Technical material (recurrent): approximately 1,500 financial statements for the regular budget, peacekeeping operations, trust funds, technical cooperation activities, revenue-

producing activities, operations established by the Security Council and other special purpose funds; monthly online reports on the status of contributions (24);

(iii) Technical material (non-recurrent): assessment documents, including those for the Working Capital Fund, regular budget, peacekeeping operations and International Tribunals (24);

(iv) Other material: ad hoc information about the scale of assessments, peacekeeping financing, the status of contributions and related issues, on request, to Member States, organizations of the United Nations system, and other international organizations, non-governmental organizations and the public (2);

(c) Administrative support and finance services (regular budget, other assessed and extrabudgetary):

(i) Financial accounts: review and processing of all receipts, payments, obligations and inter-office vouchers; analysis and reconciliation of accounts, including all receivables, payables, inter-office and bank accounts; review and consolidation of all accounts from field offices; provision of advice on accounting and financial matters and related systems to various offices, including offices away from Headquarters and peacekeeping missions; and development of new cost-effective accounting policies, practices and procedures, as appropriate;

(ii) Payments and disbursements: payment of salaries and related allowances and other benefits; processing of income tax reimbursements; payments to staff upon separation from the Organization; processing of payments to vendors and other contractors; processing of travel claims; and preparation of reports and statements of earnings, including annual United Nations Joint Staff Pension Fund reports and schedules;

(iii) Management and coordination of all life, health, property and liability insurance activities; study of alternative insurance plan structures, as needed, in the light of developments in worldwide insurance markets;

(iv) Provision of secretariat services to the Claims Board and the Advisory Board on Compensation Claims;

(v) Issuance of assessments for the Working Capital Fund, the regular budget, peacekeeping operations, the International Tribunals and extrabudgetary/treaty activities (approximately 140 assessments during the biennium); and provision of information for and responses to the Board of Auditors on issues related to accounting, contributions, payroll and insurance issues (annually).

Table 29B.15 **Resource requirements: accounting, contributions and financial reporting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2010-2011*	*2012-2013 (before recosting)*	*2010-2011*	*2012-2013*
Regular budget				
Post	17 297.7	17 492.3	82	83
Non-post	992.5	1 016.3	—	—
Subtotal	**18 290.2**	**18 508.6**	**82**	**83**
Other assessed	14 033.8	13 509.8	48	47
Extrabudgetary	11 235.2	11 269.7	47	47
Total	**43 559.2**	**43 288.1**	**177**	**177**

29B.40 Resources amounting to $18,508,600 would provide for 83 posts (1 D-2, 3 D-1, 2 P-5, 15 P-4/3, 7 P-2/1, 6 General Service (Principal level) and 49 General Service (Other level)) ($17,492,300), and non-post requirements ($1,016,300), including other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment.

29B.41 The increase of $218,400 includes the increase of $194,600 under posts reflecting the inward redeployment of one General Service (Principal level) from Financial Information Operations Service to the Accounts Division as this position, which is accountable for the IMIS accounting reference table maintenance, is more appropriately integrated in the work of the Accounts Division. The increase also reflects increased requirements under non-post resources ($23,800), which relates broadly to mobile office requirements to carry out critical activities to ensure business continuity.

29B.42 This component is supported by projected other assessed resources and extrabudgetary resources amounting to $13,509,800 and $11,269,700 respectively. The amount under other assessed resources related to peacekeeping operations includes 47 posts (20 Professional and 27 General Service). The decrease in comparison to the 2010-2011 biennium is largely related to requirements under posts. The proposed budget for the peacekeeping support account is to be considered by the General Assembly at its resumed sixty-fifth session, in May 2011.

29B.43 The amount under extrabudgetary resources includes 47 posts (15 Professional and 32 General Service) that will be used to complement regular budget resources to provide substantive, administrative and financial services. The volume of resources in comparison to the 2010-2011 biennium remains largely unchanged.

Component 4
Treasury services

Resource requirements (before recosting): $1,669,200

29B.44 This component is the responsibility of the Treasury of the Office of Programme Planning, Budget and Accounts. This component will be implemented in accordance with the strategy detailed under component 4, Treasury services, of subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and support services of the strategic framework for the period 2012-2013 (A/65/6/Rev.1).

Table 29B.16 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To ensure the prudent investment of funds and to improve cash-management actions

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Continued prudent stewardship of funds	(a) The return on the United States dollar investment pool is equal to or above the average 90-day United States Treasury bill rate of return *Performance measures* 2008-2009: 2.98 per cent Estimate 2010-2011: 1.5 per cent Target 2012-2013: 1.5 per cent

(b) Improved efficiency and security of the payment system	(b) (i) Maintenance of a loss-free record in safeguarding financial resources *Performance measures* (Cash loss incidents) 2008-2009: zero Estimate 2010-2011: zero Target 2012-2013: zero (ii) Increased percentage of automated payments through the Society for Worldwide Interbank Financial Telecommunication *Performance measures* 2008-2009: 95 per cent Estimate 2010-2011: 95 per cent Target 2012-2013: 95 per cent

External factors

29B.45 The Treasury is expected to achieve its objectives and expected accomplishments based on current levels of interest rates. Economic conditions beyond the control of the Treasury could lead to an adverse change in interest rates, consequently reducing the actual return on investments.

Outputs

29B.46 During the biennium 2012-2013, the following final outputs will be delivered:

Administrative support and finance services (regular budget, other assessed and extrabudgetary):

(a) Bank accounts worldwide administered, including maintenance of bank account signatory panels;

(b) Cash balances matched against requirements daily and investment transactions transmitted to the Accounts Division;

(c) Cash management and cashier functions assessed and offices advised on Treasury policies and procedures to safeguard financial resources; cash position computed and distributed daily;

(d) Multicurrency liquidity maintained to meet cash requirements;

(e) Secure and loss-free management of the investment funds of the United Nations for preservation of principal;

(f) Liquidity and maximizing the rate of return;

(g) Worldwide cross-border payments processed in a timely manner, including the salaries of personnel;

(h) Establishment of banking arrangements for offices away from headquarters, economic commissions and special political missions, as required.

Table 29B.17 **Resource requirements: Treasury services**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2010-2011*	*2012-2013 (before recosting)*	*2010-2011*	*2012-2013*
Regular budget				
Post	1 560.4	1 560.4	5	5
Non-post	117.8	108.8	—	—
Subtotal	**1 678.2**	**1 669.2**	**5**	**5**
Other assessed	3 463.0	3 437.8	7	7
Extrabudgetary	739.2	742.6	4	4
Total	**5 880.4**	**5 849.6**	**16**	**16**

29B.47 Resources amounting to $1,669,200 would provide for the continuation of five posts (1 D-1, 2 P-5, 2 GS) (OL)) ($1,560,400), and non-post requirements ($108,800), including other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment. The decrease of $9,000 in non-post resources relates mainly to the decreased requirements under general operating expenses for communications, including long distance telephone services.

29B.48 This component is supported by projected other assessed resources and extrabudgetary resources amounting to $3,437,800 and $742,600, respectively. The amount includes seven posts (4 Professional and 3 General Service) under other assessed resources and four posts (1 Professional and 3 General Service) under extrabudgetary resources to perform various banking functions including investing of funds; process payments to all missions, international peacekeeping personnel, troop-contributing countries, Member States, and vendors; assess cash management, cashier functions and advise on Treasury policies and procedures at all missions to safeguard financial resource; liaise with banks worldwide, and establish banking arrangements. The volume of resources in comparison to the 2010-2011 biennium remains largely unchanged. The proposed budget for the support account for peacekeeping operations is to be considered by the General Assembly at its resumed sixty-fifth session, in May 2011.

Component 5
Financial Information Operations Service

Resource requirements (before recosting): $3,206,100

29B.49 This component is the responsibility of the Financial Information Operations Service of the Office of Programme Planning, Budget and Accounts. It will be implemented in accordance with the strategy detailed under component 5, Financial information operations service, of subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and support services of the strategic framework for the period 2012-2013 (A/65/6/Rev.1).

Table 29B.18 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To improve the efficiency of financial business processes	
Expected accomplishments of the Secretariat	**Indicators of achievement**
(a) All critical Office of Programme Planning, Budget and Accounts systems are fully supported	(a) (i) No unplanned outages of financial systems *Performance measures* 2008-2009: not available Estimate 2010-2011: 99 per cent Target 2012-2013: 99.9 per cent (ii) Increased percentage of respondents to client surveys who rate the ease of access, quality and timeliness of financial management reports as at least "good" or "very good" *Performance measures* 2008-2009: not available Estimate 2010-2011: 90 per cent Target 2012-2013: 95 per cent

External factors

29B.50 The Financial Information Operations Service is expected to achieve its objectives and expected accomplishments on the assumption that all relevant parties contribute in undertaking preparatory work to adapt accounting and finance policies and procedures to the requirements of the International Public Sector Accounting Standards and the enterprise resource planning system, that the evolution of technology and developments in related industries are in line with the related projects and that stakeholders fulfil their responsibilities and obligations and extend their full cooperation in attaining the objectives of the Service.

Outputs

29B.51 During the biennium 2012-2013, the following outputs will be delivered: administrative support and finance services (regular budget, other assessed and extrabudgetary):

(a) Support to clients with substantive business analysis services, including reviewing and re-engineering business processes based upon best practices;

(b) Maintenance, updating and operation of the computerized budget information system and management of data structure, data input and system control;

(c) Systems support: maintenance of charts of accounts and other finance-related reference tables in IMIS; development of ad hoc applications; support of the NOVA reporting platform; systems

liaison with other Headquarters systems; administration of the tax reimbursement systems; performance of local area network administration functions; desktop support; server support;

(d) Maintenance of the cash management system, including the IMIS/OPICS/SWIFT interface; maintenance of Chase Insight, OPICS and SWIFT, including upgrades to ensure that vendor support is ongoing;

(e) Maintenance and support of the travel claims portal.

Table 29B.19 **Resource requirements: financial information operations**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2010-2011*	*2012-2013 (before recosting)*	*2010-2011*	*2012-2013*
Regular budget				
Post	3 025.2	2 679.3	11	9
Non-post	507.7	526.8	—	—
Subtotal	**3 532.9**	**3 206.1**	**11**	**9**
Other assessed	3 741.8	4 670.6	5	6
Extrabudgetary	5 049.7	5 595.7	11	12
Total	**12 324.4**	**13 472.4**	**27**	**27**

29B.52 Resources amounting to $3,206,100 would provide for the continuation of nine posts (1 D-1, 2 P-5, 3 P-4/3 and 3 GS (OL)) ($2,679,300), and non-post requirements ($526,800), including contractual services, general operating expenses, supplies and materials, and furniture and equipment.

29B.53 The net decrease of $326,800 includes a decrease of $345,900 under posts reflecting the outward redeployment of one GS (PL) to the Accounts Division as explained in paragraph 29B.41 above and the abolition of one GS (OL) post owing to information technology support functions no longer being provided by the Financial Information Operations Service but by the Office of Information and Communications Technology in the context of established service level agreements. The decrease is offset in part by increased requirements under non-post resources ($19,100) in connection with the acquisition of proprietary software, namely Bloomberg AIM, a risk management tool for investments, compliance and trades, as well as replacement of office automation equipment including servers which host critical applications in the Office of Programme Planning, Budget and Accounts.

29B.54 This component is supported by projected other assessed resources and extrabudgetary resources amounting to $4,670,600 and $5,595,700, respectively. The amount includes six posts (2 Professional and 4 General Service) under other assessed resources related to the support account for peacekeeping operations and 12 posts (10 Professional and 2 General Service) under extrabudgetary resources. The resources will be used to complement regular budget resources to provide operations and application support to all the divisions of the Office of Programme Planning Budget and Accounts: provide help desk services for support in the day-to-day functioning of IMIS finance modules; support offices away from Headquarters on IMIS finance-related matters; support of the troop costs and claims reimbursement system targeted for supporting the Peacekeeping Finance Division; and maintain critical systems used by the Office of Programme Planning Budget and Accounts such as payroll, After-Service Health Insurance, Operations Processing Integrated Control System, SWIFT, Chase Insight, income tax processing and the general accounting system, as well as assisting in field payroll and accounting systems.

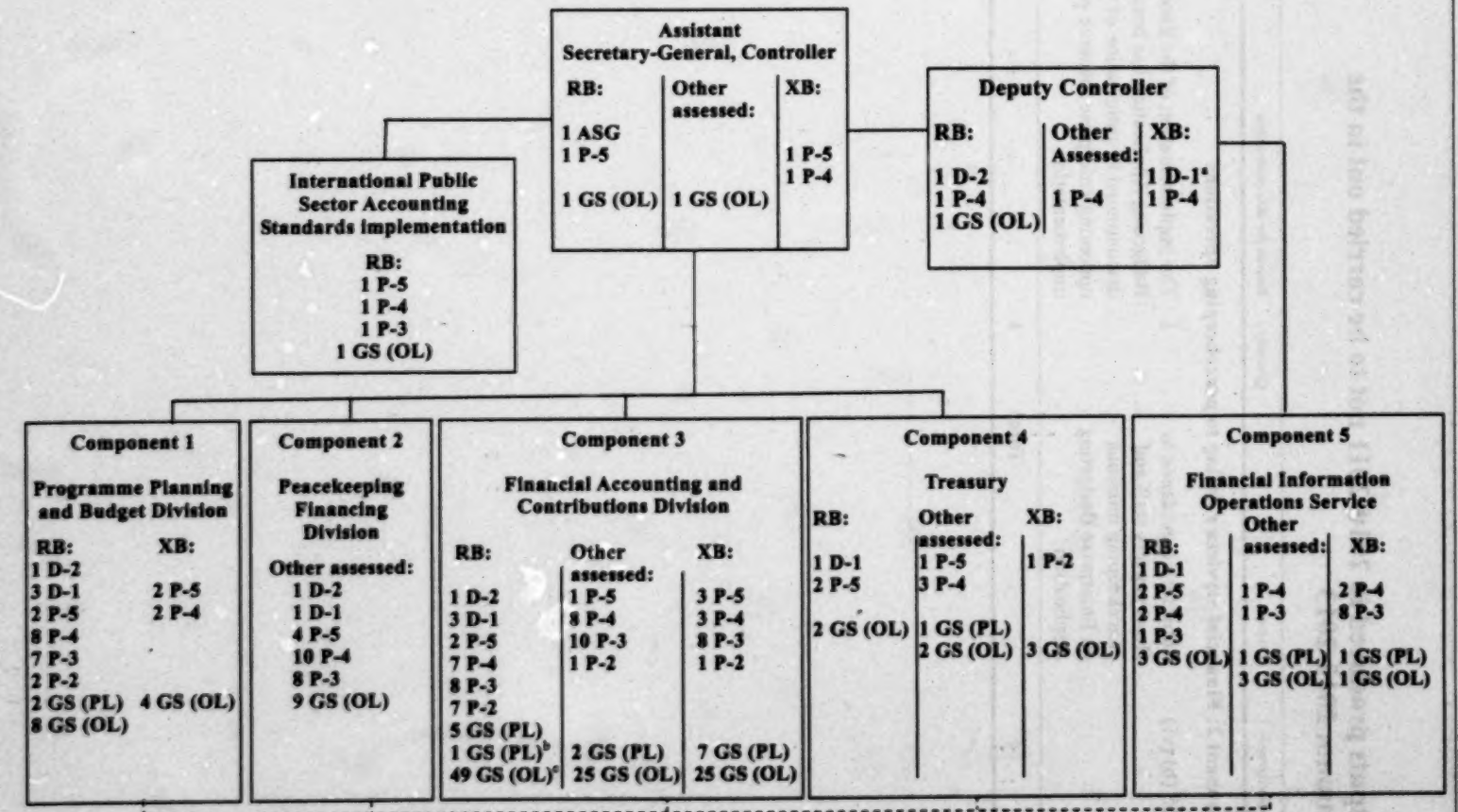
The volume of resources in comparison to the 2010-2011 biennium, remains largely unchanged except for the increase anticipated under the support account for peacekeeping operations. The proposed budget for the support account for peacekeeping operations is to be considered by the General Assembly at its resumed sixty-fifth session, in May 2011.

Table 29B.20 **Summary of follow-up action taken to implement relevant recommendations of the oversight bodies**

Brief description of the recommendation	*Action taken to implement the recommendation*
Report of the Board of Auditors (A/65/5, vol. I, chap. II)	
The Secretariat (a) plan for the automated preparation of the financial statements under Umoja; and (b) without waiting for the implementation of Umoja, enhance internal documentation on the preparation of the financial statements and, more generally, on all financial procedures, notably by updating the Financial Manual. (para. 25)	The new Finance and Budget Manual is being finalized and is expected to be issued by the end of 2011. Automated financial statements are targeted for 2014
The Board recommends that the Administration ensure that the choice of investment solutions and the link between the composition of the portfolio, its liquidity, its profitability objective and its exposure to risks are more precisely formalized and documented in the United Nations Investment Management Guidelines. (para. 237)	The Administration does not agree with the Board of Auditors recommendation. The financial crisis which started in 2007-08 has caused dramatic changes in interest policies in the United States. The overnight benchmark investment rate of a few years ago in the United States was earning approximately 5.25 per cent whereas today it is earning between 0.0 and 0.25 per cent. This example of recent market volatility and the continued likelihood of a dramatic shift in interest rate policies (as major economies are in a state of flux) is one of the reasons why the Board of Auditors recommendation that an exact composition of a portfolio should be "formalized and documented in the United Nations Investment Management Guidelines" would prove to be problematic to implement. Such a strict construction of investment guidelines would leave little room for prudent judgement and proper investment management is needed to be able to adapt to dramatic shifts in interest rate policies
The Board recommends that the Administration enhance the reporting on the investment strategy chosen and the daily implementation of that strategy. (para. 240)	Implemented. Investment strategy and the implementation of strategy is presented and approved by the Investment Committee, which meets quarterly chaired by the Controller

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that the Administration supplement the performance assessment framework for cash management with specific objectives regarding the composition, liquidity and duration of the portfolio. (para. 242)	Implemented. Specific investment objectives regarding the composition, liquidity and duration of the portfolio with supplement performance data are presented and approved by the Investment Committee, which meets quarterly chaired by the Controller
The Board recommends that the Administration: (a) Define, formalize and implement procedures relating to the monitoring of all the limits set forth in the United Nations Investment Management Guidelines; (b) Design and maintain a consolidated scorecard integrating the monitoring of all limits, with a view to reporting the results of that monitoring to the Investment Committee. (para. 245)	Implemented. Treasury has put various system reporting tools and enhancements that track the various risks mentioned in the Investment Guidelines. For example: (a) Internal systems track intraday portfolio profitability based on constant market moves (Bloomberg systems); (b) Systematic credit reviews of all positions held in inventory (Moody's. S & P's and Fitch/IBCA ratings). Treasury-specific limits are approved quarterly by the Controller; (c) Systematic review of all counterparty banks and broker dealers with a minimum credit criteria — Treasury-specific limits are approved quarterly by the Controller; (d) Quarterly performance and strategy review by the Investment Committee, Chaired by the Controller; (e) System reports are produced, which track maturity buckets in order to manage liquidity and interest rate exposure

Office of Programme Planning, Budget and Accounts
Organizational structure and post distribution for the biennium 2012-2013


Assistant Secretary-General, Controller
RB: 1 ASG, 1 P-5, 1 GS (OL)
Other assessed: 1 GS (OL)
XB: 1 P-5, 1 P-4
Deputy Controller
RB: 1 D-2, 1 P-4, 1 GS (OL)
Other Assessed: 1 P-4
XB: 1 D-1[a], 1 P-4
International Public Sector Accounting Standards implementation
RB: 1 P-5, 1 P-4, 1 P-3, 1 GS (OL)
Component 1
Programme Planning and Budget Division
RB: 1 D-2, 3 D-1, 2 P-5, 8 P-4, 7 P-3, 2 P-2, 2 GS (PL), 8 GS (OL)
XB: 2 P-5, 2 P-4, 4 GS (OL)
Component 2
Peacekeeping Financing Division
Other assessed: 1 D-2, 1 D-1, 4 P-5, 10 P-4, 8 P-3, 9 GS (OL)
Component 3
Financial Accounting and Contributions Division
RB: 1 D-2, 3 D-1, 2 P-5, 7 P-4, 8 P-3, 7 P-2, 5 GS (PL), 1 GS (PL)[b], 49 GS (OL)[c]
Other assessed: 1 P-5, 8 P-4, 10 P-3, 1 P-2, 2 GS (PL), 25 GS (OL)
XB: 3 P-5, 3 P-4, 8 P-3, 1 P-2, 7 GS (PL), 25 GS (OL)
Component 4
Treasury
RB: 1 D-1, 2 P-5, 2 GS (OL)
Other assessed: 1 P-5, 3 P-4, 1 GS (PL), 2 GS (OL)
XB: 1 P-2, 3 GS (OL)
Component 5
Financial Information Operations Service
RB: 1 D-1, 2 P-5, 2 P-4, 1 P-3, 3 GS (OL)
Other assessed: 1 P-4, 1 P-3, 1 GS (PL), 3 GS (OL)
XB: 2 P-4, 8 P-3, 1 GS (PL), 1 GS (OL)

Abbreviations: RB, regular budget; XB, extrabudgetary; ASG, Assistant Secretary-General; GS, General Service; PL, Principal level; OL, Other level.

[a] Outposted to the Department of Economic and Social Affairs for financial matters related to technical cooperation.

[b] Redeployment.

[c] One General Service (Other level) post outposted to the Department of Economic and Social Affairs for statistical support provided to the Contributions Service in the substantive servicing of the Committee on Contributions and the Fifth Committee.

Annex

Outputs produced in 2010-2011 not to be carried out in the biennium 2012-2013

A/64/6, paragraph	*Output*	*Quantity*	*Reason for discontinuation*
Component 2: Financial services relating to peacekeeping operations			
28B.28 (b) (vi)	Substantive guidance to Headquarters staff and peacekeeping missions on Enterprise Budgeting Application	1	The implementation of the Enterprise Budgeting Application has been discontinued in anticipation of the upcoming enterprise resource planning implementation
	Total	**1**	